

NCRA 2018

Telecom Session

State Responses to
Changes in
Telecom Policy at
the Federal Level

NCRA

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Topics

- ◉ Net Neutrality
- ◉ Lifeline
- ◉ Universal Service Fund or USF
- ◉ Broadband Deployment – wireless and wireline infrastructure
- ◉ BDAC

FCC Priorities

Investment, Investment, Investment

- Increase Supply
 - Free up Spectrum
 - Encourage more infrastructure builds
 - Support fiber acquisitions
- Eliminate Barriers
 - Eliminate unneeded regulations
 - Cut rules that deter infrastructure roll-out/investment (net-neutrality, special access)
 - Address costs that discourage investment (poles, conduit)
- Address the Digital Divide
 - Push out more broadband, especially to rural areas
 - Address subsidies (mobility fund, wireline)

Net Neutrality

- In 2015, the FCC adopted Net Neutrality rules in its *Open Internet Order*
- Net neutrality
 - Individuals should be free to access content/ applications equally, regardless of the source, without discrimination or in favor of specific online services or websites
 - ISPs should not be able to prevent users from visiting websites of their choice, provide slower speeds for services, or redirect users from one website to a competing website.
 - Companies cannot pay ISPs to provide faster, more reliable access to their websites than to potential competitors (paid prioritization).

Net Neutrality (Cont'd)

- FCC voted to repeal the net neutrality rules on Dec. 14, 2017. *Open Internet Repeal Order*:
 - No rules preventing blocking of website, services, or content online
 - No rules preventing throttling/slowing down of websites/online services
 - No rules preventing paid prioritization where broadband providers give preferential treatment to some websites and services over others
- Appeals filed; consolidated to be heard in the DC Circuit
- States react:
 - Washington - first state to pass its own net neutrality protections
 - 25+ states introduced net neutrality legislation
 - Other states have signed executive actions

Lifeline

- Lifeline is part of the FCC USF program
 - Lifeline is intended to make communications services more affordable for low-income consumers
 - Lifeline provides subscribers a discount on monthly services purchased from participating providers in the marketplace

Lifeline (cont'd)

- On Nov 16, 2017, citing waste fraud and abuse the FCC voted by 3-2 to approve changes to the program:
 - Reduced Internet subsidies
 - Established lifetime cap
 - Decommission broadband lines in rural areas
 - Open NPRM and NOI contains further proposals
- Critics: steps only hurt consumers and expand the digital divide

USF -Mobility Fund Phase II Auctions

- March 2017, FCC Order launched second phase of the Mobility Fund
 - Mobility Fund offers financial support to providers to extend mobile broadband/voice in unserved and underserved areas
 - Order provides \$4.5B over the next decade to expand 4G LTE coverage and reserves \$340M to Tribal areas

USF -Mobility Fund Phase II Auctions (cont'd)

- March 2018 FCC order resolved challenges to the Mobility Fund Phase II auction
- Next, FCC can move on finalizing areas eligible for funding; recently issued initial map of areas presumptively eligible for funding (challenge process)
- Auctions set now for July
- New York held unique NY State/CAFI auction

FCC 2017 Wireless and Wireline Infrastructure NPRMs

- Wireless infrastructure proposal
 - Expedite state/local siting applications
 - Adopt “deemed granted” for delays
 - Modify rules re National Environmental and Historic preservation review
- Wireline infrastructure proposal
 - Reform pole attachment rules
 - Expedite/preempt copper retirement rules
 - Streamline service discontinuance rules
 - Prohibit state/local laws that inhibit deployment

Wireless and Wireline Infrastructure Orders, Nov.2017

- Wireless Infrastructure order - replacement poles are exempt from historic preservation review if criteria are met
- Wireline Infrastructure order
 - Pole attachment rule changes (exclude capital cost recovery in pole rates, 180-day shot clock for complaints, allow read section 251 (b) to create an ILEC right to access poles and ROW owned by CLECs

Wireless and Wireline Infrastructure Orders, Nov.2017 (cont'd)

- Established rule changes in the copper retirement, network change notification and discontinuance processes (shorter notice period, eliminate “duplicate” notices)
- Wireline Infrastructure Order FNPRM
 - Seek comment on further modifications to pole attachment rules
 - Seeks comment to preempt state/local laws that inhibit communication systems recover after storms/disasters

The Broadband Deployment Advisory Group (BDAC)

- Formed in 2017 to make recommendations to the FCC on broadband deployment. Issues on rolling basis not in one broad order.
- Working groups include 101 participants
- San Jose Mayor resigns, criticisms surface
 - Lack of muni/local representation, industry heavy priorities, model state code disfavors city or muni networks, BDAC favors unserved not always underserved (rural v urban)

References

Network Neutrality

- *In the Matter of Restoring Internet Freedom*, WC Docket No. 17-108, Declaratory Ruling R&O (Jan. 4, 2018).

USF

- *In the Matter of Connect America Fund Universal Service Reform – Mobility Fund*, WC Docket No. 10-90 WT Docket No. 10-208, *Report and Order and Further Notice of Proposed Rulemaking* (Mar. 7, 2017)
- *In the Matter of Connect America Fund ETC Annual Reports and Certifications*, WC Docket No. 10-90 WC Docket No. 14-58, *Report and Order and Order on Reconsideration* (Mar. 2, 2017) and *Order on Reconsideration* (Apr. 21, 2017).

Lifeline

- *Bridging the Digital Divide for Low-Income Consumers, Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support*, WC Docket Nos. 17-287, 11-42, 09-197, *Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry*, FCC 17-155 (Dec. 1, 2017).

References (cont'd)

Infrastructure

- *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, Second Report and Order (not yet released, draft text available).
- *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, Report and Order, 32 FCC Rcd 9760 (2017).
- *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking, 32 FCC Rcd 11128 (2017).



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